- (1) Demonstrate that the permittee has met the conditions for extension set out in §3552.9–1 of this title;
- (2) Demonstrate the permittee's diligent prospecting activities; and
- (3) Show how much additional time is necessary to complete prospecting work.

§3552.9-3 Effective date.

The permit extension shall become effective as of the date of approval.

Subpart 3553—Preference Right Lease

§ 3553.1 Application for preference right lease.

§3553.1-1 Filing requirements.

- (a) No specific application form is required.
- (b) An application shall be filed in triplicate with the proper BLM office no later than 60 days after the prospecting permit expires.
- (c) The application shall be accompanied by the first year's rental at the rate of 50 cents per acre or fraction thereof made payable to the Department of the Interior—Bureau of Land Management. The rental payment shall not be less than \$20 (see subpart 3503).

§3553.1-2 Contents of application.

- (a) The application shall contain a statement of qualifications and holdings in compliance with subpart 3502 of this title.
- (b) The application shall contain a complete and accurate description of the lands in accordance with §3501.1 of this title. The lands shall have been included in the prospecting permit and shall not exceed 5,120 acres.
- (c) The application shall be accompanied by a map(s) which shows utility systems, the location of any proposed development or mining operations and facilities incidental thereto, including the approximate locations and the extent of the areas to be used for pits, overburden and tailings, and the location of water sources or other resources which may be used in the proposed operations or facilities incidential thereto.
- (d) The application shall include a narrative statement setting forth:

- (1) The anticipated scope, method and schedule of development operations, including the types of equipment to be used;
- (2) The method of mining anticipated, including the best available estimate of the mining sequence and production rate to be followed; and
- (3) The relationship, if any, between the mining operations anticipated on the lands applied for and existing or planned mining operations, or facilities incidental thereto, on adjacent Federal or non-federal lands.

§3553.2 Review of application.

§ 3553.2-1 Preference right determination.

The authorized officer shall determine whether the permittee has discovered a valuable deposit of "Gilsonite". The determination shall be based on the data furnished to the authorized officer by the permittee as required by part 3590 of this title during the life of the permit and supplemental data submitted at the request of the authorized officer to determine the extent and character of the deposit, the anticipated mining and processing methods, the anticipated location, kind and extent of necessary surface disturbance and measures to be taken to reclaim that disturbance.

§3553.2-2 Surface management agency.

The surface management agency, if other than the Bureau, shall review the application for preference right lease in accordance with §3500.9 and part 3580 of this title, as applicable. The appropriate surface management agency may request supplemental data regarding surface disturbance and reclamation if not otherwise submitted under §3553.1–2 of this title.

§3553.3 Issuance of lease.

The authorized officer shall issue a lease to the holder of a prospecting permit who shows that, within the term of the permit, a valuable deposit of "Gilsonite" was discovered.

§3553.4 Rejection of application.

(a) The authorized officer shall reject an application for a preference right

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lease if the authorized officer determines:

- (1) That the applicant did not discover a valuable deposit of "Gilsonite";
- (2) The applicant did not submit in a timely manner requested information; or
- (3) The applicant did not otherwise comply with the requirements of this subpart.
- (b) On alleging in an application facts sufficient to show entitlement to a lease, a permittee shall have a right to a hearing before an Administrative Law Judge in the Office of Hearings and Appeals.
- (c) At the hearing, the permittee shall have both the burden of going forward and the burden of proof by a preponderance of the evidence that a valuable deposit of "Gilsonite" was discovered.

Subpart 3554—Exploration License

§3554.0-3 Authority.

Section 302(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732(b)).

§ 3554.1 Exploration license.

Private parties, jointly or severally, may apply for exploration licenses to explore known, unleased "Gilsonite" deposits to obtain geologic, environmental and other pertinent data concerning such deposits.

§3554.2 Regulations applicable.

Except as otherwise specifically provided in this subpart, the regulations pertaining to land use authorizations under part 2920 of this title shall govern the issuance of exploration licenses.

§3554.3 Exploration plan.

All applications for exploration licenses shall include an exploration plan which is in full compliance with §3552.3–3 of this title. The exploration plan, as approved, shall be attached to, and made a part of, the license.

§ 3554.4 Notice of exploration.

Applicants for exploration licenses shall be required to publish a Notice of Exploration inviting other parties to participate in exploration under the license on a pro rata cost sharing basis.

§3554.4-1 Contents of notice.

The Notice of Exploration prepared by the authorized officer and furnished to the applicant shall contain:

- (a) The name and address of the applicant;
- (b) A description of the lands;
- (c) The address of the Bureau office where the exploration plan shall be available for inspection; and
- (d) An invitation to the public to participate in the exploration under the license.

§ 3554.4-2 Publication and posting of notice.

- (a) The applicant shall publish the Notice of Exploration once a week for 3 consecutive weeks in at least 1 newspaper of general circulation in the area where the lands are located.
- (b) The authorized officer shall post the notice in the proper BLM office for 30 days.

§3554.4-3 Notice of participation.

Any person who seeks to participate in the exploration program shall notify the authorized officer and the applicant in writing within 30 days after posting.

§3554.4-4 Decision on plan and participation.

The authorized officer may issue the license naming participants and acreage covered, establishing core hole spacing and resolving any other issue necessary to minimize surface disturbance and inconsistencies between proposed exploration plans.

§3554.5 Submission of data.

The licensee shall furnish the authorized officer copies of all data obtained during exploration. All data shall be considered confidential and not made public until the areas involved have been leased or until the authorized officer determines that the data are not exempt from disclosure under the Freedom of Information Act, whichever occurs first.